

**COMMENTS OF COMMONWEALTH EDISON
COMPANY ON THE ILLINOIS POWER AGENCY’S
DRAFT POWER PROCUREMENT PLAN**

Commonwealth Edison Company (“ComEd”) submits these comments on the Draft Power Procurement Plan (“Plan”) dated August 16, 2010 and posted on the Illinois Power Agency’s (“IPA”) website, pursuant to Section 16-111.5(d)(2) of the Illinois Public Utilities Act (“PUA”) (220 ILCS 5/16-111.5(d)(2)). For the convenience of the Commission and the parties a redlined version of the Plan reflecting ComEd’s comments is attached hereto as Appendix A.

In general, ComEd supports the Plan’s definition of the actual energy products to be procured in the 2011 procurement event and the process by which they will be procured. These comments focus on clarifying certain aspects of the Plan and making it more consistent with the PUA and the Illinois Power Act (20 ILCS 3855/1-1 *et seq.*) (“IPA Act”). They also seek to limit controversy and minimize the need for any evidentiary hearing on the Plan. While the comments identify several specific ways to improve the Plan, ComEd’s silence regarding any issue not addressed in these comments should not be interpreted as agreement with all statements, approaches, calculations, or recommendations made in the Plan pertaining to that issue.

I. The Proposal to Procure Energy Efficiency Measures Is Inconsistent with the PUA.

It is not clear what authority the IPA is seeking from the Illinois Commerce Commission (the “Commission”) in this proceeding to procure energy efficiency measures. The Plan recommends that consideration be given to the purchase of energy efficiency measures as an alternative resource for the ComEd portfolio.¹ However, it goes on to state that the IPA believes

¹ Plan, pp. 48-9.

that the appropriate sources for obtaining bids are the existing energy efficiency programs.² Under the law, the appropriate forum for the consideration of the procurement of energy efficiency measures are the proceedings and processes set up to develop and consider ComEd's statutorily required energy efficiency programs.

Section 8-103 of the PUA (220 ILCS 5/8-103) governs the procurement of energy efficiency measures. That section specifies annual target amounts of energy efficiency measures to acquire, and establishes caps on the amount that these measures can raise customers' rates. That section also makes clear that it is the utility who is responsible for overseeing the design, development, and filing of the energy efficiency plan with the Commission, and that the utility and the Illinois Department of Commerce and Economic Opportunity share the responsibility to implement the approved measures. 220 ILCS 5/8-103(e). The law provides no direct role for the IPA in the design, development, or implementation of the energy efficiency plan or measures.

Planning is currently underway for the energy efficiency plan for the June 2011 through May 2014 period. That plan must be filed by October 1 of this year.³ Materials have been provided to a broad group of stakeholders, including the IPA. The IPA, if it chooses, may have input into this planning process. In addition, once the plan is filed with the Commission, the IPA is free to participate in that proceeding. That is the sole proceeding in which to explore lawfully which energy efficiency measures are approved within the statutorily-prescribed target and cap amounts.

If, instead, the IPA were to seek authority through the Commission approval of the Plan to procure energy efficiency measures on its own, then such a request would have to be

² Plan, p. 49.

³ See 220 ILCS 5/8-103(f).

authorized by law and, in particular, meet the requirements of section 16-111.5 of the PUA (220 ILCS 5/16-111.5). That section makes very little mention of the procurement of energy efficiency measures. The only mention of efficiency measures in subsection (b)(2), which requires the procurement plan to consider the impact of energy efficiency programs on the supply needs of the utility. No authorization whatsoever is given to the IPA to consider the procurement of energy efficiency measures. Rather, once the load requirements of the utility are determined, the procurement plan is then to propose the mix and selection of standard wholesale products for which contracts will be executed. The only standard wholesale products which the PUA specifically authorizes the IPA to consider are energy, capacity and ancillary services. 220 ILCS 5/16-111.5(b)(3)(iii).

The PUA does not include energy efficiency measures within the purview of the plan because such measures are not, in fact, “standard wholesale products.” In the industry, “standard wholesale products” has a well-known meaning and refers to a standardized (*i.e.*, block) product that is backed by a standardized contract that is identical or near identical on all terms other than price, within a particular product class, and is traded on an exchange. Energy efficiency measures are not procured on this basis. While there are common types of energy efficiency measures, such as lighting or appliance recycling programs, none of these measures are standardized. Each program administrator designs the particular lighting or recycling program to fit its needs, often in consultation with numerous stakeholders. The vendor who will run the particular energy efficiency program for the utility is typically selected on a request for proposal basis (“RFP”), but there is nothing standard about this process or the resulting contract. Bidders into the RFP provide information concerning the services they propose to offer, how they propose to operate the program, their qualifications to run the program, as well as the price they

propose to charge. After receiving all bids, the utility will typically select 2 or 3 of the bidders for interviews probing deeper into the information provided. After this interview process, a winning bidder is selected based on the services that the bidder offers to provide, the bidder's qualifications and the price. A contract that is unique to that bidder is then developed, negotiated and executed. Moreover, this contract is for program implementation services, not for a standard wholesale product or its equivalent. No energy efficiency measure is traded on any exchange.

The process that the IPA proposes to use to procure the energy efficiency measures appears to be consistent with how such measures are typically procured, as described above. The IPA states that he will secure contracts for energy efficiency measures "through direct negotiation between IPA and ComEd subject to oversight and authorization by the Commission."⁴ This process underscores why the efficiency measures the IPA proposes to procure are not standard wholesale products and do not comply with the requirements of section 16-111.5.

- Section 16-111.5(e)(4) requires the development of an RFP process to acquire standard wholesale products. The IPA proposes to use a "direct negotiation" approach to acquire the energy efficiency measures.
- Section 16-111.5(c)(1)(vii) of the PUA allows the procurement administrator to negotiate with the bidders for standard wholesale products only as to the price of the product and only for 24 hours. Similarly, Section 16-111.5(e)(2) requires the development and use of a standard contract form so that bids may be evaluated solely on the basis of price. The process for procuring energy efficiency measures could not reasonably comply with those requirements.

⁴ Plan, p. 49.

- Section 16-111.5(f) provides for a very truncated review and approval process of the winning bids. Such a process can easily be accommodated with standard block products and standardized contracts where the only variable is price. However, the review of individualized products and contracts would require substantially more time to review and would be difficult, if not impossible, to directly compare to standard block products.

In sum, the law sets out very specific, different and mutually exclusive approaches for the procurement of energy efficiency measures and for energy products. The process needed to appropriately procure energy efficiency measures simply does not comport with the process used to procure energy products. The IPA should follow the process set out in Section 12-103 of the PUA for the procurement of energy efficiency measures. The portion of the Plan on the bottom of page 48 and the top of page 49 discussing the procurement of energy efficiency measures should be deleted.

II. The Proposed “Demand Response in Lieu of Capacity” Acquisition Should be Removed from the Plan.

Although rejected in 2009, the Plan again proposes that the IPA conduct its own acquisition of “Demand Response in Lieu of Capacity” for ComEd on top of that already conducted by PJM. This proposal should be removed from the Plan because:

- ComEd efficiently acquires all necessary capacity at the lowest cost through the multi-year PJM-administered RPM auction process;
- The RPM process actively solicits and includes cost-effective demand response (“DR”) resources;
- Buying still more demand response – regardless of the price – is not “cost effective;” it is simply buying excess resources and will increase costs to consumers; and

- The Commission rejected a separate IPA DR procurement just last year for sound reasons that have not changed.

**A. The Nature of Capacity and DR
 Procurement and the IPA Proposal**

The Plan proposes a special procurement by the IPA of “Demand Response in lieu of Capacity”⁵ only for ComEd. However, PJM already acquires the capacity required by the markets that it administers through the RPM auction process.⁶ In those auctions, demand-resource providers are eligible to bid on the same basis as generation resources.⁷ PJM selects the lowest bids from either the generation resources or the DR and pays the winning bidders the clearing price.⁸ As the Plan acknowledges, “PJM procures demand-response measures in the RPM auction anytime the demand-response is bid at a lower price than otherwise available capacity.”⁹ Eligible retail customers who can offer demand response can – and do – participate in the RPM process. They can participate through agents and aggregators, as well as through established programs such as ComEd’s own A/C Cycling program in which even small individual customers can participate.¹⁰

ComEd and other load serving entities in PJM procure all necessary capacity resources – demand and supply – through this transparent and efficient process.¹¹ ComEd thereby satisfies

⁵ Plan, pp. 3, 4, 51-52.

⁶ See PJM Manual 18: PJM Capacity Market, Revision: 7 (August 18, 2009) (“*PJM Manual 18*”).

⁷ *Id.*, pp. 28-32.

⁸ *Id.*, Section 5.

⁹ Plan, p. 51.

¹⁰ ComEd provided last year about 60 MW of demand response from its residential customers under ComEd’s air conditioning cycling program to PJM through the Full Emergency Load Response portion of RPM.

¹¹ “ComEd will continue to procure the capacity and ancillary services required by the Eligible Retail Customers directly from PJM-administered markets.” Plan, p. 51.

both its operational capacity needs and the statutory requirements with respect to the procurement of DR resources and the use of “cost effective” DR. The IPA has acknowledged this fact¹² and the Commission so found. *2010 Plan Order* at 152-53.

The Plan nonetheless proposes that the IPA conduct a separate, additional DR procurement on top of the PJM process.¹³ This proposal is premised, first, on the assumption that there are untapped DR resources available that can be cost-effectively procured outside of the PJM process. The Plan acknowledges this in its discussion of the statutory requirement that DR resources be procured cost-effectively.¹⁴ Because the Commission rejected a similar plan only nine months ago, the Plan must also presume that something material recently changed to favor a separate procurement. However, this is not the case.

**B. A Separate IPA-Managed DR Procurement
 Is Unnecessary and Will Not Be Cost-Effective**

Purchasing additional demand response resources through a separate IPA-managed process will not be “cost-effective.” It will not reduce the costs paid by customers – no matter the price at which the incremental DR might be acquired. The added cost of the incremental purchases will simply translate into added costs borne by customers. DR purchases beyond those required, therefore, will not be cost-effective as required by law.

Additional demand response resources cannot be expected to be cost-effective because they cannot be expected to affect the quantity or the price of the resources ComEd must acquire through the RPM process. To truly lower the cost of capacity to customers, the IPA and

¹² “[T]he IPA agrees that the PJM procures demand response resources in accordance with the PUA” *quoted in Commonwealth Edison Co.*, ICC Docket No. 09-0373 (Order, Dec. 28, 2009) at 150 (hereinafter the “*2010 Plan Order*”).

¹³ See description of acquisition as cited in, *supra*, note 1.

¹⁴ Plan, p. 51.

Commission should strive to have all DR resources participate in the PJM auction which could result in a lower clearing price for capacity. The quantity of capacity resources that ComEd must acquire is (1) determined three years in advance; (2) based on a long-term econometric model that considers more than a decade of data; and (3) based on load during peak hours. To determine the amount of capacity that must be purchased, PJM uses an econometric model that incorporates load data going back to 1998. Moreover, to affect the PJM load forecast, any demand-resources procured through the IPA process would have to be implemented (not just available) during the time of the PJM peak load each year. Finally, because PJM's forecasts load based on many years of historical data, excess DR resources would not impact the model for years. Buying more demand response capacity in an IPA-administered process is not acquiring resources "in lieu of Capacity" as the Plan names the proposal – it is simply buying more than ComEd needs.

The IPA also acknowledges that the "RPM capacity prices for the June 2011 - May 2014 period have already been determined through a competitive bid process administered by PJM" Plan, p. 51. Buying more DR will not change that price, either.

For these reasons, a separate IPA DR auction cannot lower capacity costs as compared to the current approved practice of buying capacity from PJM markets. Continuing the RPM process ensures the lowest cost combination of capacity and DR costs.

**C. The Plan Is Contrary to the Final
2009 Procurement Plan Order**

The Commission considered a similar proposal by the IPA just nine months ago in the *2010 Plan Order*. There, as here, the IPA proposed conducting a separate DR acquisition in addition to the RPM process. There, as here, the IPA felt that there might be benefits to acquiring additional DR resources.

The Commission, however, found otherwise. The Commission concluded that:

It would appear highly unlikely that the IPA could successfully reduce ComEd's capacity costs by procuring supplemental demand response measures, unless it were somehow tied to the PJM process. Any demand response measures outside of the PJM RPM process would be additive to ratepayer bills due to the RPM construct of obligating capacity resources 3 years in advance. Specifically, ComEd has noted that overall capacity costs may be reduced more, and all the PUA requirements met automatically, simply by continuing to allow all demand response resources to bid into the RPM auction. The Commission hereby directs that the Plan be modified accordingly.

2010 Plan Order at 153. The Commission acknowledged that parties could submit additional information on this issue in the future and the Commission would consider it.

The Plan makes no new argument for an additional DR procurement and points to no new fact that would lead to a conclusion directly opposite to that the Commission reached last year. The only difference appears to be that the Plan points to PJM's February, 2010 decision to hold two, instead of three, incremental auctions for replacement resources after the initial process. Apparently, "the IPA believes that the cancellation of the Second Incremental Auction indicates that the RPM processes may not be capturing all potential or available demand response resources."¹⁵ This statement is both unsupported speculation and immaterial to the Commission's past rejection of separate IPA DR procurement.

In fact, the purpose of a Second Incremental Auction is to allow procurement of added capacity resources when "unforced capacity obligation increases relative to the load forecast,"¹⁶ that is when there is an aggregate need for more resources under the PJM standards. In February, PJM cancelled this incremental auction because there was no such need.¹⁷ That

¹⁵ Plan, p. 52.

¹⁶ Plan, p.51

¹⁷ PJM stated as follows: "This is to inform PJM Market Participants that the RPM Second Incremental Auction for the 2011/2012 Delivery Year originally scheduled for July 12, 2010 has been cancelled. Through the (footnote continued)

neither implies that further cost-effective demand resources remain available nor that acquiring such additional resources could be cost-effective. In fact, PJM rightly recognizes that there is no need to acquire additional capacity resources when it expects the load to be the same or lower than the original forecast. Why buy and pay for more capacity than is needed? The IPA goes on to observe that “it is possible that the cancellation of the Second Incremental Auction indicates that there is an oversupply of demand response assets relative to the needs of the RTO.”¹⁸ Not only is that claim wholly speculative, it does not support the Plan. As explained above, buying more DR is simply buying excess, which is not a cost-effective strategy. Hypothesizing that plenty of excess is available does not make buying excess any more cost-effective.

In this sense, the Plan also identifies no material change that would warrant reversal of the Commission’s decision in the 2010 Plan Order. Even if there were evidence that more DR was available, the Commission’s decision was not premised on a shortage of DR resources. It, rather, was based on the fact that the PJM process, by allowing DR resources to fairly and equally participate, assured that cost-effective DR was procured. The Plan offers no reason to alter that conclusion.

III. The Proposal to Procure Up To an Additional 10% of Supply On an Optional Basis Is Unsupported and Unlawful.

The IPA proposes that it be permitted to procure up to an additional 10% of portfolio requirements when market prices fall below the average weighted price of existing supply

2011/2012 Delivery Year, Second Incremental Auctions are conducted only when there is an increase in the RTO’s unforced capacity obligation due to a load forecast increase. As the 2010 RTO peak load forecast for the 2011/2012 Delivery Year is lower than the peak load forecast used in the 2011/2012 Base Residual Auction, the 2011/2012 Second Incremental Auction is cancelled.” <http://www.pjm.com/about-pjm/newsroom/newsletter-notices/current-cust-info.aspx>. PJM concluded nothing about the available supply of DR, nor did it change PJM’s underlying policy of acquiring DR as needed based on fair competition.

¹⁸ Plan, p. 52.

agreements.¹⁹ The IPA presents no analysis or justification in support of this proposal. This lack of support contrasts with the well documented analysis supporting the IPA's proposal to implement a three-year ladder procurement strategy.²⁰ That analysis demonstrated that procuring energy relatively evenly over a three-year period presented the "lowest price risk scenario"²¹ If the three-year ladder approach is the optimum procurement strategy, how does procuring an additional 10% improve upon that? The IPA nowhere attempts to answer that question. Without an answer to that question, the analysis supporting the three-year ladder approach argues that procuring an additional 10% of supply will increase price risk and not lower it.

Similarly, the Plan nowhere justifies the use of the average weighted price of supply under existing contracts as the appropriate benchmark for triggering additional purchases. It is not at all clear how the use of such a benchmark will mitigate the risk of a price decline. For example, consider a situation where the IPA procures energy in a regular procurement event for an average price of \$40 MWH. This brings the overall average weighted price of energy committed under contract to \$50 MWH. Several months later the price of energy rises to \$49 MWH. Under the IPA's proposal, the IPA could still go out and buy additional energy even though the price is rising. How does such a purchase mitigate the risk of a price decline? Nor is it clear that such a proposal is consistent with the PUA. Section 16-111.5(e)(3) provides that benchmarks shall be market-based and shall be based on price data for similar products for the same delivery period. The PUA does not allow the use of historical benchmarks.

¹⁹ Plan, pp. 17-18, 51.

²⁰ Plan, pp. 19-23.

²¹ Plan, p. 22.

In addition, it is unclear how the proposed additional procurement would work in practice as it takes months to run a fair and transparent RFP process. Moreover, it is unclear how the process would react to changing market conditions. For example, if the IPA sees forward prices below its benchmark and starts the incremental RFP only to then see the forward prices increase above the benchmark, does it have to cancel the RFP? If so, who bears the costs of this failed RFP?

In sum, the proposal to procure an additional 10% of supply lacks any analytical support, is inconsistent with the risk analysis and procurement strategy that is included in the Plan, does not clearly foster the IPA's goal of mitigating against price declines, and is inconsistent with the PUA. ComEd recommends that this proposal be dropped from the Plan. The discussion of this proposal that appears on pages 17-18 and on page 51 of the Plan should be deleted.

IV. The Proposal to Procure An Additional 10% Of Supply In The Months Of July And August Is Unsupported And Risky.

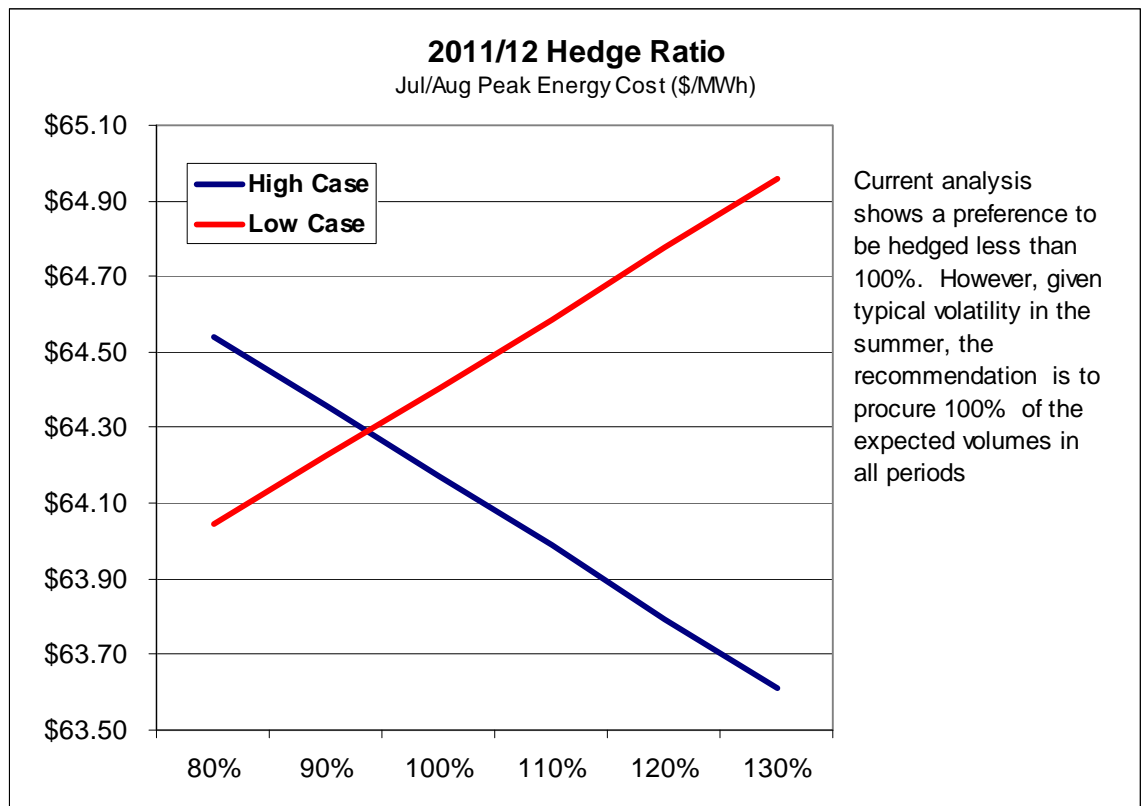
It appears that the IPA again proposes to oversubscribe supply for the months of July and August as was done for past procurement events. On pages 44 of the Plan, the IPA states

[C]onsistent with past practice, the contract volumes ... include a 10% increased purchase volume for the Peak periods in the months of July and August. This increase is included to serve as a hedge against unforeseen increases in weather-related demand during those periods

ComEd believes the continued inclusion of the 10% oversubscription is unsupportable and risky and should be removed.

ComEd assessed, using the IPA's own methodology, if the risk associated with weather driven price spikes in the summer would be reduced by purchasing more than 100% of expected monthly requirements for peak periods in July and August. The first step in this process was to determine the average portfolio energy cost assuming a high case (spot prices +40%, spot load

+10% for July and August) and a low case (spot prices -30%, loads -8% for July and August). Then, three change cases were analyzed, where purchases were made at 110%, 120% and 130% of July and August peak loads. No correlation was assumed between spot prices and gross-up factors consistent with historical monthly data. The results of this analysis are as follows:



The results demonstrate the weakness of any argument for over-hedging in July and August. This is due to the fact that market prices are low, and even with 40% price stress, the cost of spot market purchased power will be below the average embedded portfolio cost. Therefore, even without the benefit of the extra 10% hedge, the average portfolio cost will drop in the high case. Moreover, procuring more energy than is forecast to be needed during summer months, while hedging against higher than expected loads and prices, adds additional risk to the portfolio on balance.

The historical facts underscore the likelihood that this approach will add costs. While it may pay off in some years, to date the over-hedging gamble has increased consumers' costs by \$1.6 million since the 2008 procurement. The table below contains the outcome of each year's over-procurement.

July/Aug	Excess MWh	Wtd Avg RFP Peak Price \$/MWh	Wtd Avg DA Peak Price \$/MWh	Benefit/ (Detriment)
2008	96,480	94.79	86.42	\$ (808,208)
2009	316,800	43.30	32.39	\$ (3,457,580)
2010	446,400	49.80	55.68	\$ 2,626,737
Total	859,680			\$ (1,639,051)

In its consideration of the last procurement plan, the Commission approved 10% oversubscription cautiously, noting both the lack a rigorous analysis supporting it and that the data showing increased costs were still limited.²² Once again, there has been no rigorous showing of any benefit for this over-hedging. Moreover, both the rigorous prospective analysis and the weight of actual data point to the riskiness and expense of this strategy. Given the volatile nature of prices and loads, ComEd continues to recommend that 100% of expected requirements are purchased for all periods of the current plan year. But, there is no reason to go beyond this.²³

V. The Plan's Discussion of Credit Requirements Is Incomplete and Misleading.

In the risk analysis section of the Plan,²⁴ the IPA discusses the risk associated with the inclusion of credit requirements in supply contracts. However, perhaps inadvertently, the

²² 2010 Plan Order at 259.

²³ ComEd has provided proposed language in the accompanying revised Plan implementing this comment, but has not recalculated the proposed volumes.

²⁴ Plan, pp. 14-19.

discussion is entirely one-sided, focusing solely on the cost of the credit facilities for suppliers. The discussion ignores the fact that all forms of insurance have a cost, but serve the very important function of protecting consumers from the potentially far greater costs that be incurred in the event of a supplier default. The discussion also ignores the fact that because these credit requirements serve such an important function they are almost universally required of suppliers in all supply contracts. The discussion further ignores the fact that the PUA (Section 16-111.5(e)(2) requires that standard credit terms generally accepted in the industry, which these credit requirements are, be included in the standard supply contracts.

ComEd recommends that the paragraph on page 17 of the Plan entitled “3. Contract Terms” be amended to read in its entirety as follows:

“3. Contract Terms. Contract terms related to credit requirements for the bidders and the Utilities may increase direct and indirect costs due to the premiums associated with providing credit facilities that are ultimately borne by the end-use customer. However, it is necessary to obtain such credit requirements from the bidders in order to protect end-use customers from potentially far higher costs that could be incurred in the event of a supplier default.”

VI. Only Landfill Gas Produced in Illinois Qualifies As A Renewable Energy Resource.

The legal definition of Renewable Energy Resource includes only landfill gas produced in Illinois.²⁵ However, certain actions taken by the IPA, perhaps inadvertently, have the potential to create confusion regarding this issue.

Section 16-115D of the PUA²⁶ requires the IPA to provide information to PJM and alternative retail electric suppliers to identify resources that qualify as renewable energy resources under the IPA Act. It appears that the IPA did send such a report to PJM. As a result

²⁵ 20 ILCS 3855/1-10.

²⁶ 220 ILCS 5/16-115D.

of that report, PJM now lists all landfill gas generators located in the PJM footprint as qualifying as a renewable energy resource in Illinois. The IPA should act to remedy this error.

It is also clear that landfill gas located outside of Illinois does not qualify as a renewable energy resource. In order to clarify this, the following sentence should be added to the last paragraph on page 52 of the Plan:

“As the above quoted definition makes clear, only landfill gas produced in Illinois qualifies as a renewable energy resource for purposes of this procurement of RECs.”

VII. No More Than the Target Amount of RECs Should be Procured.

The Plan lists both the target amount of RECs to be procured and the budget amount that may not be exceeded. While it has been the practice of the IPA in past procurement events not to exceed the target amounts even if the budget amount was not reached, which ComEd strongly supports, this is nowhere expressly stated in the Plan. ComEd believes that this should be explicit. Therefore, ComEd recommends that the following sentence be added immediately after Table Y on page 54:

“The Procurement Administrator shall seek to acquire the Target amount of RECs, but no more, without exceeding the RRB.”

VIII. Technical Corrections

The Plan contains a number of technical inaccuracies that should be corrected. They are as follows:

- In the first line of the last paragraph on page 40 of the Plan, reference is made to “Ameren.” The reference should be to “ComEd.”

- On page 41 of the Plan, the values for Energy Efficiency and Demand Response reductions should be updated from last year’s values. The values and citation in the discussion of the requirements of Section 8-103(b) of the PUA should also be corrected.
- Table Q on page 42 of the Plan:
 - The columns say “MW” but should say “GWH”
 - September-11 SF volumes should be 1,829, not 2,615
 - September-11 Total volumes should be 3,005, not 3,791
 - April-13 SF volumes should be 1,418, not 1,420
 - April-13 Small volumes should be 502, not 503
 - April-13 Total volumes should be 2,509, not 2,513
- Table R on page 43 of the Plan:
 - The title should say “ComEd” not “Ameren.”
 - The last two columns should be labeled “Average Load (MW), not Average Load (MWh)”
- Table T on page 46 of the Plan:
 - December-12 2011 IPA Procurement volumes should be 50, not 0
 - December-12 2012 Procurement Volumes should be 1,300, not 1,350
- On page 53 of the Plan, Table V should be revised as shown below to be consistent with volumes identified by the Commission in its orders.

TABLE V: ANNUAL COMED RPS VOLUME TARGETS				
ComEd RPS Volume Targets				
Planning Year	Reference Year	Reference Year Delivered Volume (MWh)	Planning Year RPS % Target	Planning Year RPS Volume Target (MWh)
2008-2009	2006-2007	39,802,463	2.00%	796,049
2009-2010	2007-2008	39,109,145	4.00%	1,564,366
2010-2011	2008-2009	37,740,282	5.00%	1,887,014
2011-2012	2009-2010	35,284,241	6.00%	2,117,054

- The section on “Preferences” at the bottom of page 54 of the Plan needs to be updated to more accurately reflect the IPA Act language. That section should be revised in its entirety to read as follows:

“Preferences. Section 1-75 (c) (3) of the IPA Act requires that beginning June 1, 2011 cost effective renewable energy resources be procured first from facilities in the State of Illinois or from facilities located in states adjacent to Illinois, and then from facilities located elsewhere.”

- The section on “Auction Revenue rights” on page 55 of the Plan contains inaccurate dates. The last sentence of the first paragraph of that section should be revised to read in its entirety as follows:

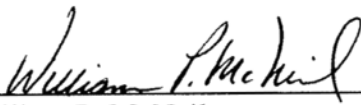
“As part of the 2010-11 ARR allocation process at PJM, ComEd received a set of ARR entitlements and was awarded ARRs for that planning year.”

- Attachment E is from the July 15, 2009 forecast that ComEd submitted to the IPA. It should be replaced with the July 15, 2010 forecast.
- Attachment F should have the same changes made to it as were made to Table Q in the Plan
- Attachment G should have the same changes made to it as were made to Table R in the Plan
- Attachment H should have the same changes made to it as were made to Table T in the Plan
- Pagination should be corrected in the Table of Contents.

Dated: September 15, 2010

Respectfully submitted,

COMMONWEALTH EDISON COMPANY



William P. McNeil
Vice President

VERIFICATION

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS.

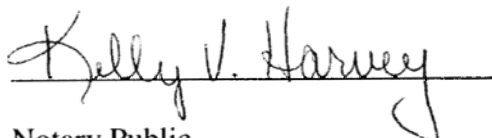
I, William P. McNeil, having been duly sworn, do hereby say and depose under oath based on my personal knowledge as follows:

1. I am Vice President – Energy Acquisition for Commonwealth Edison Company (“ComEd”) and have responsibility for managing power procurement requirements to serve ComEd’s retail and wholesale load obligations.


2. I swear and affirm that the facts stated in the foregoing “Comments of Commonwealth Edison Company on the Illinois Power Agency’s Draft Power Procurement Plan” are true and correct, to the best of my knowledge and ability.

FURTHER AFFIANT SAYETH NOT.

SUBSCRIBED AND SWORN to before me
this 13th day of September, 2010.



Notary Public



William P. McNeil

